

## BANKING IN LATIN AMERICA.

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Bolivia has five banks of issue and branches of several foreign exchange banks. The country is on the silver basis, the unit being the boliviano, which is the equivalent of the five-franc piece in size, but fluctuates with the value of silver bullion.<sup>1</sup> A law of September 14, 1906, provides for a gold standard with a unit called the peso, equal to one-fifth of the pound sterling. The legal-tender power of silver will be limited to ten pesos. The banks now redeem their notes in silver. The National Bank, located at Sucre, has a capital of 5,000,000 bolivianos and a circulation of about 4,200,000 bolivianos. The Banco Francisco Argandona, founded in 1893, has a capital in 1906 of 2,500,000 bolivianos and circulation of about 3,500,000 bolivianos. The Industrial Bank has a capital of 2,500,000 and circulation of 1,700,000 bolivianos. The Agricultural Bank has a capital of 1,700,000 and the Mercantile Bank a capital of 800,000 bolivianos.<sup>3</sup>

### Banking in Cuba and Porto Rico.

The Spanish Bank of Cuba long provided the circulation for that island. The bank was seriously crippled by the policy of the Spanish Government during the insurrections, in compelling the bank to issue notes for the benefit of the state. These notes were not redeemable, and after the American occupation passed out of circulation. So disturbing was the effect upon public confidence that no banknotes are now issued in Cuba, although the new National Bank of Cuba has the power of issue under its charter. The Spanish Bank, with an original capital of 8,000,000 piasters (\$7,400,000), has withdrawn its branches from the provinces and does business only in Havana. The National Bank, while not clothed with monopoly powers, has fourteen branches and does a large share of the business with the United States. It was organized in 1901, and in 1908 had a capital of \$5,000,000 in United States currency and deposits

<sup>1</sup> Muhleman, 157.

<sup>2</sup> Bulletin of the Bureau of American Republics, XXV., 808.